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How American Cities Are Retrenching in Time of Depression

• • • HARRY H. FREEMAN

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EDITOR'S FOREWORD

AMERICAN local government has accepted the need for retrenchment and many cities are making drastic cuts in expenditures. Indeed in some places the movement for economy has assumed the proportions of a panic; cuts are being made right and left and some of them may return to plague us later.

In its work of aiding the city of Buffalo to frame a retrenchment policy, the Buffalo Municipal Research Bureau made a survey of what other cities are doing.

Ten of the twenty-six covered in this pamphlet were visited by members of the Bureau's staff and intensively studied. Further information was gained from questionnaire replies collected by J. M. Leonard of the Detroit Bureau of Governmental Research.

Mr. Freeman draws no conclusions and indulges in no philosophizing. His purpose is merely to report accurately the concrete means being employed to reduce expenses, in the thought that public officials and private citizens alike may be helped in the difficult tasks confronting their own municipalities.

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How American Cities Are Retrenching in Time of Depression

The various ways in which twenty-six cities are cutting their 1932 budgets

BY HARRY H. FREEMAN — *Buffalo Municipal Research Bureau*

A COMPLETE and up to date report of the effect of the depression on city budgets and municipal policies is not available. Conditions are changing so rapidly that reports are sometimes outdated before they can be assembled. There is presented here in condensed form brief summaries of the principal economies as reported by 25 of the country's largest cities. They are not in any sense complete stories but rather the high spots of retrenchment in these various communities.

NEW YORK

There have been no major changes in policy so far as operation and maintenance items of the budget are concerned. Nevertheless, some action may be necessary because bankers have demanded drastic revisions before granting additional credit. Approximately $100,000,000 worth of new building projects have been deferred as not urgently needed.

For the current fiscal year the city has appropriated $10,500,000 for unemployment relief which is $1,156,493 more than last year's expenditure. Of this appropriation to be financed by short-term bonds, $2,500,000 is for home relief and $8,000,000 for work relief.

CHICAGO

In the words of its mayor, Chicago "faces its most serious crisis since the fire which destroyed it in 1871." School teachers have received only one and a half months' pay in cash since April, 1931. There is serious talk of closing the schools.

Salaries and wages of all other employees have undergone reductions ranging up to 27 per cent. The personnel has been greatly reduced and it is now proposed to eliminate 2,479 more.

This city, however, does not offer a fair comparison with other cities because of certain local reasons for its precarious financial condition. It nevertheless points a warning to what happens through neglect and bad government.

PHILADELPHIA

The chaotic condition of the city's finances due to several contributing factors will undoubtedly make budgetary curtailments and emergency measures necessary throughout the entire year.

For the present, in order to open the books and restore borrowing capacity to meet cash deficits, the 1932 budget has been balanced technically although

inadequate provision has been made for the year's needs. This has been made possible by the following methods.

1. Salaries in excess of $2,000 a year for all employees in the general city departments, exclusive of those in the bureaus of police and fire, have been reduced 10 per cent. The schools are entirely separate and this reduction did not apply to their personnel.
2. About 800 employees, it is reported, have been laid off to eliminate the necessity of a 26 per cent general salary reduction that would have been necessary under the appropriations made.
3. Unemployment relief appropriations have been reduced and there will be no special appropriations for this purpose.
4. No new improvements will be undertaken during the coming year.
5. Work on new improvements under way at the present time may have to cease because of the difficulty in floating bonds.
6. The Philadelphia Art Museum will be open only four days a week instead of seven.
7. A partial closing of libraries may be necessary, according to reports, but as yet the hours of service have not been reduced.

DETROIT

At the beginning of the fiscal year on July 1, 1931 the condition of the city's finances demanded a policy of drastic retrenchment which will be continued through the coming fiscal year. Also in the face of an impending deficit for the present fiscal year which is estimated will total nearly $20,000,000, further severe reductions and curtailments have been proposed.

The city and school tax levies for the current fiscal year which originally totaled $76,000,000 have been reduced to $61,000,000 making necessary the application of the following economy measures.

Municipal Budget Economies

1. The salaries of all employees receiving less than $4,000 a year were reduced 10 per cent on January 1, 1932.
2. Salaries in excess of $4,000 a year were reduced 10 per cent and the amount over $4,000 an additional 10 per cent. These reductions will effect a saving of $1,300,000 in the salary appropriation for the last six months of the fiscal year ending June 30, 1932.
3. The staffs of several agencies including the Detroit Institute of Art, recreation, city plan commission, building and safety and engineering have been "skeletonized" by many eliminations and the "staggering" of the working time for those who remain.
4. Additions to the present personnel will not be permitted.
5. Salary increases, either "automatic" or "promised" will not be allowed.
6. No payments for overtime work will be permitted.
7. The operating allowances for 33 privately owned passenger cars of welfare department employees have been eliminated. For the remaining 153 such cars the former monthly allowances ranging from $25 to $50 have been reduced to $11.20, plus an allowance of 3 cents for each mile driven while engaged in city business.
8. All supply, maintenance and miscellaneous service expenditures have been sharply cut. For example, the expenditures for new library books were reduced from $110,000 to $30,000.
9. The dental division for school children maintained by the board of health has been abolished.

10. The Detroit Institute of Art has been closed for three days a week.
11. Relief expenditures are not being paid from current operating funds.
12. Laborers on the welfare relief lists are being substituted for regular employees in the park and boulevard and public works divisions.
13. Labor appropriations have been reduced without decreasing the prevailing rate of 55 cents an hour.
14. Janitors have replaced patrolmen at 120 street intersections for an extra compensation of 75 cents a day.
15. It is also proposed either to dispense with the services of 200 policemen and 169 firemen for the remainder of the fiscal year or to require all employees in these departments to take a vacation of 11 days without pay.
16. The hours during which street lights are in operation have been curtailed, a large number have been turned off entirely and the candle power of many others has been reduced.

School Budget Economies

1. All salaries in the school system were reduced 3 per cent at the beginning of the school year in September, 1931.
2. An additional salary reduction of 7 per cent was made on January 1 except for 543 employees receiving less than $100 a month.
3. Salaries exceeding $4,000 were first reduced 10 per cent and the amount over $4,000 an additional 10 per cent.
4. No new teachers have been added to the staff.
5. Payments for sick leaves have been reduced by deducting from the teachers' salaries the cost of substitutes for the first ten days of absence on account of illness.
6. All married women in the department have been asked to take a year's leave of absence and the vacancies are to be filled by a reduction in the central non-teaching divisions.
7. An additional reduction in salary expenditures has been proposed which will be accomplished by asking the teachers to work for two weeks without pay.
8. All expenditures for free text and library books, repairs, replacements, alterations, transportation, baths, rents and general stores have been limited to absolute essentials.
9. The practice of paying allowances for the maintenance of privately owned automobiles has been discontinued and all cars owned by the board of education have been taken away from school officials.
10. Rentals have been reduced by combining certain offices.
11. The circulation and number of issues of the *Educational Bulletin* have been reduced.

Proposed Economies for 1932–1933

Aside from the reduced salary expenditures the economies effected so far will bring about an estimated expenditure of $8,600,000 less than was originally appropriated for operation and maintenance or a total reduction of $14,460,000 in all items.

Despite the probability that present economy measures will be applied for the coming fiscal year the following additional proposals have been advanced.

1. Further cuts in salaries.
2. Increased curtailment in expenditures for supplies, maintenance and miscellaneous services.
3. The state to be asked to take over the operation of the house of correction.
4. The county to be asked to take over the operation of the tuberculosis sanitorium.
5. A charge to be made for the use of

tennis courts and other recreational facilities.
6. Through the Water Department a levy for the use of sewerage facilities.

LOS ANGELES

The decline in the revenues of the general municipal government for the first six months of the fiscal year 1931–32 indicates that there will be a deficit of $650,000 by June 30. Coupled with this falling off of revenues, prospective reductions in property assessments will cause a decrease of $4,000,000 in the tax receipts for the fiscal year 1932–33. Therefore it will be necessary to introduce economy measures that will erase the deficit for the current fiscal year and to reduce next year's budget by approximately $4,000,000 below the present total of $24,650,000. The following policies for retrenchment are now under consideration.

1. General salary reductions applied to general governmental employees, excluding the fire and police departments whose scale of compensation is fixed by the charter, and library, park and playground, water and power, and harbor departments whose salary rates under charter provisions are individually administered and are not subject to legislative determination of the city council.
2. Elimination of employees whose duties have been rendered superfluous through cessation of construction activities due to economic recessions.
3. Adoption of a five-day week to provide for the continued employment of some employees who otherwise would be laid off if service and employee elimination policies were rigidly enforced.
4. Elimination of governmental services of a specialized nature and not of essential value to the general public.
5. Waiver by the department of water and power of payment of $480,000 provided in the current year's budget for water service furnished to departments of the general government, and treatment of this item as additional capital advances of the latter.
6. Negotiations with the county of Los Angeles for allotment of an equitable share of gas tax apportionments received by it from the state of California which, hitherto, has been withheld from municipal participation, to be budgeted for municipal street and bridge maintenance and traffic costs.

CLEVELAND

A recent constitutional amendment which in effect reduces the city tax levy, a decrease in assessed valuations and a reduction in revenues have made necessary a policy of retrenchment in municipal expenditures. The following steps have been taken in adherence to this policy.

Municipal Budget Economies for 1931

1. The expenditure allowance for supplies, maintenance and miscellaneous services, beginning on May 1, was reduced 20 per cent based on an estimated decrease of 20 per cent in the prices paid for municipal supplies during the previous year.
2. Very few automatic salary increases were permitted.
3. In December the garbage collection, garbage disposal and street cleaning divisions were operated on a 5-day week basis instead of 5½.

School Budget Economies for 1931

1. Automatic salary increases were suspended.
2. By careful buying the expenditure

for educational supplies was reduced $50,000.

3. The building maintenance cost was reduced from $1,195,143 to $550,000 and the cost of building operation was reduced from $1,840,773 to $1,661,781 by decreasing personnel, curtailing the amount of maintenance work, decreased supply costs and a careful check of operating practices.

Municipal Budget Economies Proposed for 1932

1. The finance director proposes salary and wage appropriation decreases to be based on the following scale of reduction.

Salary	*Percentage of Decrease*
Less than $1,200	0
$1,201–$3,000	8⅓%
$3,001–$5,000	12½%
Over $5,000	15%
Wage appropriations	8⅓%

It is reported that trade union officials may announce a voluntary cut in hourly wage rates for skilled and unskilled labor and tradesmen.

2. The Citizens League of Cleveland is preparing for the civil service commission a revision of the classification schedule of city employees for the purpose of salary standardization which will point out the possibility of a large saving in salary expenditures.
3. No salary increases will be allowed within the established ranges.
4. Departmental requests for new equipment will be eliminated.
5. The finance director proposes to cut 1932 budget appropriations for supplies, maintenance and miscellaneous services 20 per cent as accomplished for the last eight months of 1931.
6. The five-day week will be continued for the garbage collection, garbage disposal and street cleaning divisions until service increases demand a return to the full-week basis.
7. Further curtailments in services and consolidations of agencies if necessary, will be left to the discretion of the newly elected mayor. The finance director has suggested abolishing the smoke abatement and trade waste agencies temporarily, reducing the building inspection personnel and combining the management of the stadium with the public hall.
8. A retrenchment in expenditures for capital and local improvements will be made wherever possible.

School Budget Economies Proposed for 1932

1. Automatic salary increases will be suspended for the next school year.
2. In order to balance the 1932 budget present opinions indicate the necessity of a decrease in minimum salaries and automatic annual increases.
3. An elimination of rental payments which totaled $68,860 in 1931 and the elimination of $12,160 in the fire insurance reserve fund will effect additional savings.

ST. LOUIS

Up to the present time no definite changes in policy have been adopted in connection with the budget for the fiscal year 1932–33. However those that have been discussed are identical with like practices in many other cities. The following suggestions have been advanced for consideration.

1. Would reduce salaries of certain groups and suspend automatic salary increases for others.
2. Would defer improvements to be paid for by benefit assessments.
3. Would reduce expenditures for certain city activities deemed of least importance.

BALTIMORE

After deciding beforehand that the tax rate for 1932 would be $24.50, the same as last year although there will be a decrease in revenues and an increase in debt service, material and expense appropriations were reduced as far as possible to keep within the income that such a predetermined rate will produce. It was also necessary to reduce salary appropriations by $927,113 which was the difference between the reduced material and expense appropriations and the total required reduction of $1,773,440.

In order to avoid an actual decrease in salary rates this reduction was brought about by obtaining contributions from the salaries of all employees in accordance with the following scale. Police were the only group exempt from making the contribution because such a request could not be enforced since their salaries are fixed by state law.

Salary	*Amount Contributed*
Less than $1,140	0
$1,140	$18
More than $1,140	6½%
Less than $1,200	0
$1,200–$1,499	$50
$1,500–$1,799	$100
$1,800–$2,399	$150
$2,400–$2,999	$200
More than $3,000	10%

BOSTON

The city and school budgets have not been completed at this writing but economies effected last year and those proposed for 1932 offer concrete evidence of a strict policy of retrenchment in municipal and school expenditures. At the close of the fiscal year on December 31 it was reported that the unexpended departmental balances were the largest in the history of the city. This followed the absolute insistence of the mayor that in all departments only absolutely necessary expenditures were to be incurred.

The school department which is not under the control of the mayor also turned back the largest balance of unexpended appropriation in its history. It has announced that it will favor all possible further retrenchment in 1932, even to the elimination of the annual salary increases.

The mayor has announced the following steps that will be taken toward further retrenchment in 1932.

1. There will be no salary increases for 1932 which includes those automatically increased on a sliding scale.
2. Although opposed to cutting the payroll of city employees the mayor and city council have inaugurated a plan by which all employees will give one day's pay each month for five months toward a fund to supplement the appropriation for unemployment relief.
3. The majority of the departments owning automobiles will be required to give them up. These will be replaced by a low rate private service which must be kept at a minimum.
4. Curtailments will be made in research work in city hospitals, extension of traffic signals and telephone service in the homes of city officials.
5. The extension of radio and signal systems and further motorization of the police department will be deferred.

PITTSBURGH

The 1932 municipal budget has been reduced approximately 13 per cent or $3,683,000 under last year's total of $28,747,626 by sharp curtailments in operation and maintenance appropriations which have effected a reduction of $2.50 in the former general city tax rate of $25.50. This was brought about through the enforcement of the following measures.

1. The amount appropriated for salaries was cut approximately $2,200,000 or 60 per cent of the total reduction.
2. Salary rates for those receiving more than $4,000 a year were cut from 8 to 20 per cent and in some cases, depending upon the type of position, salary rates under this amount were also reduced.
3. All employees receiving over $1,200 a year, including policemen and firemen, will take a vacation of at least one month without pay during the current year which is equivalent to a salary reduction of 8½ per cent.
4. The personnel of practically every department has been drastically reduced and many positions have been abolished by ordinance.
5. Approximately 74 inspectors receiving total salaries of $132,746 have been eliminated.
6. Other inspectors, and employees of departments whose work is seasonal are now employed on a monthly basis when needed.
7. Supply appropriations have been sharply cut and in addition were reduced by percentages corresponding to price declines.

The board of public education, a taxing unit entirely separate from the city, in order to keep the tax rate of $11.75 the same as last year made budget curtailments that would offset decreased revenues. The following methods were employed.

1. Automatic salary increases amounting to approximately $110,000, aside from those required by state law, were suspended.
2. Supply and expense appropriations were reduced approximately $80,000.
3. Rigid economies have been enforced in the purchase of materials and supplies.

MILWAUKEE

The general property tax levy, including schools, has been reduced from $26,432,356.75 to $25,280,988.94 for 1932. A budget reduction of 5 per cent was effected as a result of the following reductions.

1. Supply and repair appropriations have been reduced $545,580 from $4,677,512 to $4,131,927.
2. Equipment appropriations have been reduced $150,640 from $332,173 to $181,533.
3. Appropriations for permanent improvements were reduced $306,381 from $1,789,070 to $1,472,689.
4. School expenditures for plant operation, maintenance, repairs and equipment have also been subject to reductions.

BUFFALO

The mayor's budget for the fiscal year beginning on July 1 provides for a reduction of $2,288,242 in departmental operating requests totaling $33,243,472 which amounts to $539,887 less than the operating appropriations of $31,495,117 for the current year. Although subject to further revision by the council the estimates have been reduced below the current appropriations by the following methods.

1. Total general city salary estimates were reduced $225,543 below the current total of $10,548,510 by the abolition of 98 positions. These include the positions of 27 inspectors whose salaries totaled $65,280.
2. Salary cuts effecting a slight reduction were made in a few minor instances.
3. The board of education budget was reduced $83,868 below an appropriation of $10,855,829 for the current year.
4. Moderate reductions were made in all departmental appropriations

to absorb the remaining $230,476 of the total decrease of $539,887 below the current operation and maintenance total.

5. A decrease in debt service will be brought about by the refunding of $4,000,000 in bonds.

MINNEAPOLIS

Up to the present time no major changes have been made in the policy of the city in financing its requirements for 1932. However the decrease in revenues for the current year will result in reducing materially the income of various departments below that of last year. Those most seriously affected are the board of education, the board of park commissioners and the city council. Consequently the following steps have been taken thus far in order to meet the situation.

1. A saving in salaries and general operation and maintenance expense will be made by the board of education which has authorized a reduction of two weeks in the school year in order to meet an approximate reduction of $750,000 in its income.
2. A serious effort is being made by the city council to eliminate various unnecessary positions as a move toward meeting an approximate reduction of between $80,000 and $90,000 in its income.
3. The board of park commissioners has determined to eliminate certain of its activities.
4. No city department, except the board of public welfare has received an increased appropriation.
5. No bonds, the major portion of which are financed by local assessments, are expected to be issued for 1932.

CINCINNATI

The total budget for 1932 excluding school appropriations is $15,676,379, which is $670,491 less than last year. Due to a decrease in revenues and additional demands arising from present economic conditions the following economies are not reflected entirely in this total saving.

1. A moratorium on salary increases has been declared.
2. Teachers' salaries and those of other school employees were reduced 5 per cent on January 1.
3. No new teachers have been engaged and a reduction in the teaching staff is being brought about by leaving vacancies, caused by retirements, unfilled.
4. Curtailments have been made in reducing garbage and waste collections from twice to once a week and placing the laborers on a part-time basis.
5. Maintenance rates for resident employees at the general hospital have been increased.
6. Maintenance services of the sewer, street cleaning and highway repair divisions have been centralized.
7. A centralized auto repair division has been established with a view to bringing about an estimated saving of $50,000.
8. General cuts below last year's requirements have been made wherever possible in all appropriations for maintenance, supplies and miscellaneous services.
9. School maintenance expenditures for 1931–32 have been reduced approximately $80,000.
10. A further reduction in teachers' salaries is anticipated for the coming school year.
11. A reduction in unskilled labor rates, by union officials, is expected shortly.

NEWARK

Although at this writing the 1932 budget has not been adopted it is apparent that in order to place itself in a more favorable light in the bond market

it will be necessary for the city to make drastic reductions. The following means are under consideration.

1. A 10 per cent salary cut for all city and school employees to bring about an approximate saving of $2,000,000 has been indicated as a result of the financial situation and pressure from the taxpayers.
2. Salary bills have been introduced in the New Jersey senate which would give state, county and municipal officials the power to order salary reductions for all classes of employees.
3. A cut of $500,000 in operation and maintenance items has already been made after a preliminary budget review.
4. All capital and local improvements, other than those already contracted for, will be suspended.

KANSAS CITY

Preparation of the budget for the fiscal year beginning May 1 has just begun and no definite change in the financial policy has yet been determined. A decrease in the operation and maintenance estimates is expected in addition to the following economies in practice at the present time.

1. Automatic salary increases were suspended by the school board for 1930–31.
2. Salaries were reduced 2 per cent by the school board to accomplish the same result for 1931–32 and there is a possibility that further reductions may be necessary.
3. Salaries were reduced 15 per cent in the county wherever the board had authority for the year 1931 and the reduction will be continued for the current year.

SEATTLE

In adopting the 1932 budget the city council cut to the lowest possible figure the appropriations for operation, maintenance and capital outlays. A comparison with the 1931 budget shows the following result.

Every departmental appropriation was decreased with exception of one where an addition was necessary for biennial registration expense. The departmental appropriations for 1931 totaled $9,106,479.61 and were reduced $906,083 or nearly 10 per cent to $8,200,395.68 for 1932.

INDIANAPOLIS

The state legislature passed a special act in 1931 to prevent the 1932 budgets of all governmental units from exceeding the totals of the previous year. In order to keep within this mandatory limit the following curtailments were effected by the city, county and school units of this particular city.

1. Salary reductions were made in minor instances in the city and school budgets.
2. Automatic salary increases were suspended for the school teachers.
3. No increases were granted for school officials or employees.
4. Common labor rates were reduced by the park board from 45 to 60 cents an hour to 30 to 50 cents.
5. The street division reduced the number of hours a week from 45 to 40.
6. Salaries were reduced 10 per cent by the county authorities except in cases where they are fixed by state law.
7. Common labor rates were reduced for school employees from 45 to 40 cents an hour and the working week cut from 44 to 40 hours.
8. General salary decreases are anticipated during the coming year for all city and school employees.
9. A 20 per cent reduction in skilled labor rates was announced by the local unions on February 1.
10. Personnel eliminations have been made throughout the city service.

11. A 50 per cent reduction in waste collection is being considered by the sanitary department in order to restrict its services.
12. A $75,000 radio road patrol has been abolished by the county.
13. All capital improvement projects will be deferred by local governmental units.
14. Drastic reductions have been made in appropriations for pay-as-you-go improvements.

ROCHESTER

An effort will be made to live within a budget for 1932 which was balanced by drastic cuts by the city manager and council. The total city and school operating budget amounts to $18,594,-563.20 after a cut of $467,000 by the manager and $2,220,946.45 by the council. In order to meet this reduction the following retrenchments have been made thus far.

Municipal Budget Economies

1. Major cuts in executive salaries have been made by the council.
2. Salary rates for employees receiving over $3,400 a year were cut as follows:

Salary	*Reduction*
$3,400–$4,999	4%
$5,000–$5,999	6%
$6,000–$6,999	8%
Over $7,000	10%

3. A reduction for lower paid employees may be necessary because of the drastic nature of the departmental cuts.
4. No salaries have been increased except those required by state law.
5. The office of personnel director has been abolished.
6. The service bureau has been abolished.
7. The position of director of police has been abolished.
8. The Museum appropriation has been cut from $60,000 to $17,000 which will make necessary the following curtailments.
   a. Extension service for school children must be eliminated.
   b. Research activities will be eliminated.
   c. Pioneer arts work must be discontinued.
   d. Assembly of exhibits and construction of display cases must be discontinued.
   e. Salaries of floor orderlies totalling $10,000 must be eliminated.
   f. No new exhibits will be purchased.
   g. Cleaning staff must be reduced to one.
   h. Elevator service will be discontinued.
9. The appropriation for parks was cut 22 per cent.
10. The library appropriation was cut 30 per cent.

Board of Education Budget Economies

This budget has been cut $1,080,000 to a total of $8,793,573.04 which is $1,128,000 less than last year's expenditures.

1. Salary contributions aggregating approximately $450,000 have been volunteered by every employee who will give free service equivalent to a 10 per cent salary cut.
2. Approximately $55,000 will be saved by eliminating certain evening school activities.
3. Summer schools will be closed at a saving of $35,000.
4. Rentals will be charged for the use of school buildings to save approximately $10,000.
5. Telephone service and extensions will be curtailed at an approximate saving of $25,000.
6. Piano accompanists in music and health education will be eliminated to save approximately $11,500.
7. Teachers paid on an hourly basis and teachers of instrumental music will be eliminated at a saving of $22,000.

8. Printing and survey expenditures will be deferred at a saving of $15,000.
9. Supervised recreation after school hours will be eliminated to save $10,000.
10. Free transportation will be eliminated to the extent of a $12,500 saving.
11. A drastic reduction will be made in maintenance expenditures.
12. A complete reorganization is expected in June.

PORTLAND, OREGON

Although no definite changes have been made in the budget for 1932 the commissioner of finance has presented 30 specific recommendations for consideration by the council. In his introductory remarks he said in part:

Municipal operations have for a number of years been based upon rapid population growth, increased wealth, unparalleled prosperity, and what seemed to be almost unlimited community income. It has not been very difficult to be a successful administrator under those conditions. During the past two years, however, a change has taken place. This has been a period of unemployment, deflation, economic stringency, uncertainty and resulting unrest. These circumstances require that we regard public expenditures and economies in a different manner than ever before. This is an exceedingly trying period in municipal administration. In our effort to re-adjust finances and services we will meet with many conflicting demands and much unfounded loose thinking and unjust criticism. This is a period that requires moral courage and the setting aside of so-called personal political expediency. This is not the time when any public official should weaken to indulge in the time honored practice of trying to tear down the sincere constructive efforts of another in order to bolster his own ambitious desires or personal pet schemes.

The following are a few of the suggestions that have been advanced.

1. That the mayor be authorized to appoint a citizen's committee of from five to seven members, representing banking interests, wholesale and retail merchants, organized labor, manufacturers and real estate interests. This committee to be charged with the responsibility of studying the financial affairs of our city government in all its phases, and submit a report and recommendations to our council.
2. That in principle there shall be no increase in the net tax budget for 1932–33.
3. That the principle of no increase in total money for personnel for 1932–33 be adopted.
4. That no new capital projects be started during the year 1932–33.
5. That there be substantial reductions in estimates for 1932–33.
6. That overtime and extra compensation for full-time officials be discontinued wherever possible.
7. That the operating service of the recreation department of the bureau of parks not be increased beyond the scope of services for this year and that all capital expense anticipated for 1933 be deferred.
8. That further reductions should be effected by the council in the operation and maintenance budgets of the several departments and that a study should be made with the object in view of consolidating some minor bureaus.
9. That positions now vacant or becoming vacant during the year, be not filled until approved by the council except in cases where the filling of said positions is absolutely necessary.
10. That the police department endeavor to make arrangements with the school board whereby in many instances the patrolmen who are policing street intersections adjacent to school buildings three or four hours a day, be replaced by school janitors on this duty.

HOUSTON

Resulting from a serious effort to reduce municipal and school expenses a considerable number of employees have been dismissed and there has been a readjustment in salaries paid to city workers. General retrenchments in expenditures and reductions in personnel have also been made by school authorities.

TOLEDO

The expiration of a one mill operating levy and a decrease in assessed valuations have combined in bringing about a decrease of 45 per cent in revenues from the general tax levy. The following measures have been inaugurated to effect drastic economies.

Municipal Budget Economies for 1931

1. Salaries of all city employees were reduced during the last three months of the year as follows:

Salary	*Reduction*
Less than $2,000	5%
$2,001 to $3,000	10%
$3,001 to $4,000	15%
$4,001 to $5,000	20%
More than $5,000	25%

2. No salary increases, except automatic for policemen and firemen, were granted.
3. Vacancies in the police and fire departments were not filled.
4. Civilian school police were not reengaged in September.
5. Engineering division employees were placed on a half time basis.
6. The city plan commission office was closed.
7. Decreases were made in supply and maintenance appropriations.

School Budget Economies for 1931

1. Teachers' salaries have been decreased 10 per cent for the school year 1931–32 by paying them on a nine months basis instead of ten.
2. Working hours have been decreased for clerks in elementary schools.
3. The vocational school has been closed.
4. The number of doctors in the school health service has been decreased.
5. A reserve for fire losses was not set aside as usual.
6. Operation and maintenance costs of the school plant have been pared to a minimum.

Municipal Budget Economies for 1932

1. Salary reductions ranging up to 25 per cent have been made for employees except skilled union laborers and unskilled laborers.
2. Many former full-time employees are now employed as unskilled laborers at hourly rates in their old positions.
3. Several full-time civil service positions have been abolished.
4. Activities have been curtailed which include: the winter recreation program, electrical reinspection, fire prevention, water waste survey, park maintenance, drawbridge operation and engineering.
5. Agencies have been combined as follows: sanitary police with food inspectors, fire and police alarm system under one supervising head and practically all skilled maintenance employees will be assigned to a central bureau to be detailed to divisions as needed.
6. The division of public buildings has been abolished and the responsibility of supervision is now delegated to the department heads using each building.
7. Vacancies in the fire and police departments are not being filled.
8. Contracting for garbage collection, disposal and auto repairs is being considered to replace these services performed by city departments.

School Budget Economies for 1932

1. Salaries will be reduced an additional 10 per cent according to plans for the next school year.

2. Operation and maintenance costs of the school plant will be reduced further.

DENVER

In the absence of specific information regarding definite budget economies for 1932 it may be said that the general policy in this city is an insistence on every department keeping strictly within the limits of its budget appropriation, with retrenchment in view wherever possible. No capital improvements are being contemplated at the present time and those of a local type paid for through special assessments will be continued with a closer scrutiny as to necessity.

A monthly control of expenditures is made mandatory by a charter provision which requires all city departments, with the exception of health, elections, assessment and certain highway divisions, to expend or incur expenditures to the extent of only one-twelfth of their budget appropriation in any one month.

OAKLAND

With the inauguration of the council-manager plan at the beginning of the fiscal year on July 1, 1931 a policy of rigid economy and curtailment of expenditures was adopted. The budget was reduced $284,000 less than the previous year to a total of $6,477,250 by the following curtailments which are expected to be continued for the coming fiscal period.

1. An approximate average reduction of 10 per cent in salary appropriations was effected through a reclassification of jobs and a salary readjustment. The salaries of teachers were not affected because they are under the separate jurisdiction of an elective school board.
2. Personnel has been curtailed to a minimum which will enable departments to function properly.
3. Staggered employment has been allowed in some cases where the employees were willing.
4. Direct welfare relief averaging about $10,000 a month has been financed entirely from savings in budget appropriations.
5. No additional capital improvements have been planned.

ST. PAUL

Although no major reductions were made that can be considered as drastic, the following economies have been introduced.

1. Salaries, except those of teachers, were reduced 3 per cent in 1931 but were not reduced further in 1932.
2. Personnel was reduced in the department of public works to meet a cut of $65,000.
3. The parks and playgrounds appropriation was reduced $11,660.
4. The police budget was cut $21,205.
5. The lighting appropriation was cut $10,869.

SYRACUSE

Following a decrease of 13 per cent in tax receipts, a shrinkage of general revenues amounting to approximately $700,000 and an approximate increase of $700,000 in welfare expense, an advance of $7.77 in the tax rate was imminent. This threatened increase has been discounted to a great extent by the succeeding general and specific curtailments.

1. Salaries of all employees receiving more than $1,200 a year were horizontally cut 10 per cent to bring about an estimated saving of $700,000. Rates have not been effected as the employees will make contributions throughout the year. However a refusal by the police to contribute has resulted in a rate reduction.
2. A salary reduction equivalent to a cut of 25 per cent has been made

by reducing the working time of employees in the engineering department, bureau of buildings, bureau of gas and electricity and bureau of plumbing. This will be made possible by curtailments in public improvements.

3. No increases will be granted except those for teachers as required by state law.
4. A reduction of approximately $250,000 in the public works appropriation will be met by the salary reduction and the elimination of a $94,000 item for 85 ash truckers whose duties will be assumed by man-a-block workers.
5. A reduction of $60,000 in the engineering department appropriation will be accomplished by curtailed activities and the elimination of approximately 26 from the payrolls.
6. A reduction of $50,000 in the department of health appropriation will necessitate the elimination of less vital activities.
7. An approximate cut of 10 per cent in the department of parks budget of $223,000 will be made possible by the elimination of school playgrounds and a reduction in the personnel operating the 13 city playgrounds.
8. A cut of $30,000 in the library appropriation will be met by the following curtailments.
   a. Reading room will be closed one hour earlier.
   b. Purchases of new books will be practically eliminated.
   c. Six married women will take leaves of absence.
   d. Position of assistant librarian at $2,200 has been abolished.
9. Lighting costs will be cut between $50,000 and $60,000 by turning out a total of about ½ the ornamental lights. One will be turned out on a double standard, and alternate single standards will be darkened.
10. Strong agitation favors the elimination of the grade crossing commission.
11. The public safety appropriations have been cut $100,000.
12. The position of secretary to the assessor at $2,800 has been abolished.
13. Three probation officers (married women) have been eliminated to save $3,500.
14. Per diem rates for election inspectors have been reduced. Election day compensation has been reduced from $10 to $8 and primary and registration day compensation from $7 to $6. A total saving of approximately $4,896 will be realized which will pay for the spring primary.
15. The planning, parks and recreation commission has been merged with the park department at a saving of $10,800.
16. Under the quarterly plan of water billing the flat rate consumers will be required to pay 12 cents for each 100 cubic feet used in excess of the quarterly maximum of 1,250 cubic feet for which a maximum rate of $1.50 is charged.

Board of Education Budget Economies

A reduction of approximately $600,000 from the estimated request of $4,400,000 will be met in general by the absorption of about one-third of the cut in instructional service funds. This will mean a 50 per cent reduction of $299,556.50 in the appropriation for instructional service, one-half or about $156,182.86 of which will be in teachers' salaries. The following specific curtailments will be enforced.

1. A 10 per cent salary contribution will be made in monthly installments by the teachers.
2. The Americanization League appropriation will be cut $6,189.
3. About 90 supply teachers have been dropped from the payrolls. Supervisors or department heads will fill temporary vacancies caused by illness.

4. About 100 regular teachers may be eliminated on July 1. The balance will be required to double class teaching assignments.
5. The school health personnel and 25 physical educators will be eliminated.
6. Practically all supply appropriations have been eliminated from the budget. Present books and supplies must last and there are to be no free textbooks available for ninth grade pupils.
7. Appropriations for printing, postage, stationery and traveling expenses have been sharply cut.
8. Approximately $6,120 will be saved through the elimination of every item in the school census and research budget with the exception of the salary of a director at $2,500.
9. An item of $8,000 for summer school teachers has been eliminated.
10. At least 3 school physicians will be eliminated at an approximate saving of $2,150.
11. There will be a reduction of $10,266.60 in the amount set aside for pensions.

City taxes are collected from May 1 to 31 and from September 1 to 30. In order to encourage the payment of the entire bill on May 1, a discount of 2 per cent is offered in order to save both the taxpayers (whose money may be drawing interest) and the city 4 per cent which would have to be paid in addition to the two given as a discount if the funds were borrowed on tax anticipation notes.

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